

**Opening Statement of the Honorable Fred Upton**  
**Subcommittee on Health**  
**Hearing on “Examining Reforms to Improve the Medicare Part B Drug Program for**  
**Seniors”**  
**June 28, 2013**

*(As Prepared for Delivery)*

Today our work continues in the ongoing effort to enhance the quality of health care for our nation's seniors. We will examine the Medicare Part B drug program and reform proposals aimed at improving the important program.

We owe it to our seniors to evaluate the effectiveness of Medicare and suggest improvements to the program. Earlier this week, this subcommittee examined Medicare's traditional benefit design and sought input from experts on how to modernize it.

The Medicare Part B drug program is essential to our nation's seniors, especially those who are battling cancer. The invaluable role that these drugs play in the treatment of chronic illness cannot be overstated. As we look to examine the program, we must ensure that the program, and seniors' access to these essential drugs, only continues to get better.

When Congress changed the Part B drug reimbursements to track their average sales price in 2003, there were questions as to whether that average sales prices was an appropriate pricing mechanism. Since then, MedPAC has weighed in on the issue by noting that Congressional movement to the ASP system has resulted in substantial price savings for Medicare on nearly all drugs covered by these reimbursements, and was contributing to decreased Part B spending.

Recently, members of Congress and the administration have proposed changes to the Part B drug program. Some of the changes seek to improve the program; others, like the president's call to cut physician reimbursements for these drugs, may not have such positive effects.

As we examine reform proposals to improve the Medicare Part B drug program, I want to commend all of my colleagues who have offered such proposals, including Representatives Whitfield, Green, Rogers, Capps, Lance, Ellmers, and Burgess. I look forward to hearing testimony on their proposals today.

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